

UNION PACIFIC RAILROAD COMPANY.

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LETTER

FROM

THE ATTORNEY-GENERAL,

TRANSMITTING,

*Pursuant to House resolution, information relating to the Union Pacific Railroad.*

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OCTOBER 20, 1893.—Referred to the Committee on the Pacific Railroads and ordered to be printed.

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DEPARTMENT OF JUSTICE,  
*Washington, D. C., October 20, 1893.*

SIR: I have the honor to acknowledge the receipt of the resolution of the House of Representatives, by which, referring to recent legal proceedings whereby the Union Pacific Railway Company has passed into the hands of receivers appointed by a court of the United States, the Attorney-General is requested to inform the House whether the Government of the United States had any notice of or was made a party to any such proceedings; whether such proceedings are valid in law as against the United States in its relations to said company and in any way affect the interests of the United States in said company as protected and secured by existing laws; what action, if any, the Attorney-General has taken or proposes to take in the matter, and whether any further legislation is necessary to empower him to take such action in the premises as may be deemed necessary to protect and secure the indebtedness of said company to the United States.

In compliance with such request I have the honor to say that the United States was not a party to the proceedings referred to and was without notice of them until after they had been taken; that there is grave doubt as to the validity of such proceedings so far as the United States is concerned, and that in their practical, if not their technical, operation and effect such proceedings must be regarded as tending to seriously prejudice the interests of the United States as protected and secured by existing laws.

The only action yet taken by me in the premises has been the employment of the Hon. George Hoadley, of New York, as special counsel for the United States—an employment rendered necessary by the fact that the entire force of the Department of Justice is no more than adequate to the current demands upon it, and that the complexity of

the affairs of the Union Pacific Railway Company, the important questions raised by the receivership, and the enormous indebtedness of the company to the United States require that its interests should receive the continuous and almost exclusive attention of competent counsel.

It is more than probable that the proper protection of the interests of the United States will be found to call for special legislation by Congress. But, until further investigation and knowledge both of the facts and the law involved, it would be unwise to attempt to indicate the precise legislation needed. Upon that particular subject, therefore, I shall, with the leave of the House, make an additional report to it at as early a day as practicable.

Very respectfully,

RICHARD OLNEY,  
*Attorney-General.*

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

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